



Connecticut Community Action, www.cafca.org

Testimony on Community Services Block Grant Plan

September 15, 2009

Good afternoon Senators Harp and Doyle, Representatives Geragosian and Walker and Appropriations and Human Services committee members. My name is James Gatling and I am the Chair of the Connecticut Association for Community Action (CAFCA) and President/CEO of New Opportunities, Inc (NOI). CAFCA is the state association for Connecticut's 12 Community Action Agencies which serve all 169 towns and cities in the state and New Opportunities is the Community Action Agency serving towns and cities in north-central Connecticut.

I would like to express my support for the Department of Social Services' plan on the Community Services Block Grant. As you know, the CSBG grant funds Community Action Agencies which are the nation's officially designated anti-poverty agencies. As anti-poverty agencies, it is our responsibility to provide direct services and case management to CT's low-income children, our elderly and disabled and working poor families. These CSBG funds provide the bedrock support to our agencies in providing critical programs to our most vulnerable residents.

Right now, due to the worst economy the state has witnessed since the Great Depression, our agencies are seeing a dire need for assistance to Connecticut families including help with fuel, food and other forms of aid - the highest levels we have ever seen. People who have never sought relief from our CAAs before are coming to our door for help. Just in energy assistance requests alone, almost 30,000 new customers statewide have come to our agencies for help paying their heating bills – while in our agencies they are requesting job search

help because they've lost their jobs, eviction prevention help, and food assistance. These people are in desperate need of all support services our agencies offer! Our workers are on the front-line in providing these services and, thankfully, we have the information and the expertise needed to provide comprehensive support to meet many of these needs.

The CAAs are unique in our ability to serve as "one stop centers" for many services, such as: heating; food assistance services; credit repair and money management; free tax preparation and asset development; utility matching payment plan; child care and Head Start; elderly nutrition, meals on wheels and homemaker services for the elderly which helps keep our senior citizens at home and out of much more expensive nursing homes. And it is the CSBG and HSI funding that allows our agencies to provide such comprehensive support. As our Results –Based Reporting indicates, you cannot get a better return on investment than with dollars spent in a Community Action Agency through the programs we offer. (Please see handout on RBA).

Each year as part of the CSBG process, our agencies put together a 'Community Action Plan' that specifically looks at the needs of each of our 12 regions. This plan is based on a Community Needs Assessment that is done every three years and updated annually. The community assessment and community plan allows us to use the CSBG funding in a manner truly reflective of the local needs. Further, and especially now, it helps our agencies in addressing the identified needs of our communities at this critical time of a deep recession and will help us to continue to provide the case management services that can respond to these needs. Also, these funds help provide operational support for programs that have inadequate funds for the administration of many programs, such as energy assistance and child care.

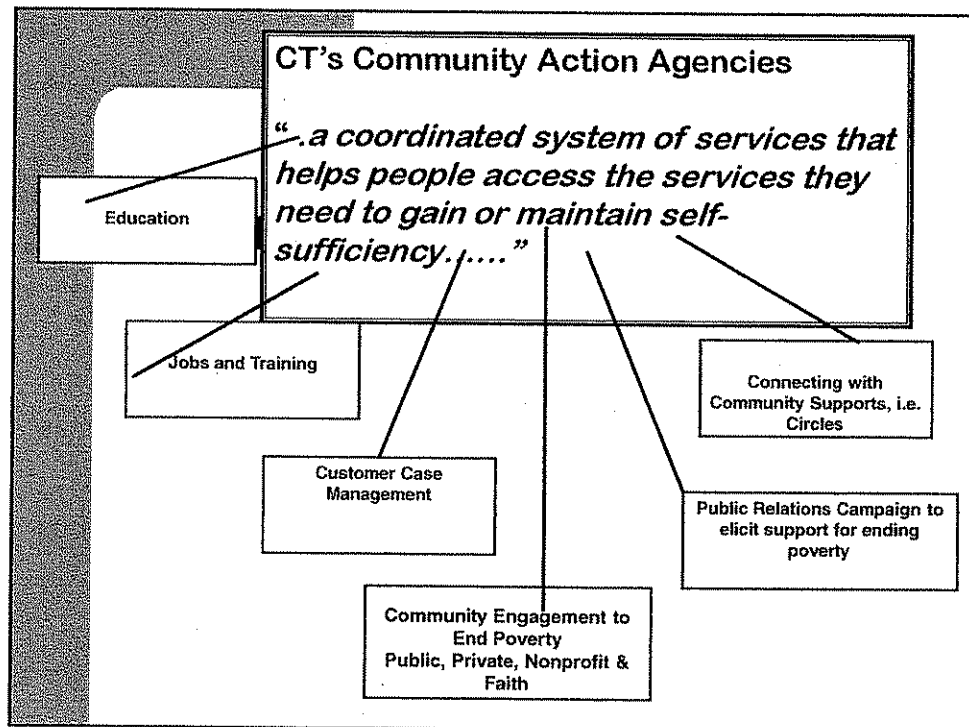
At a recent meeting of the Community Action Agencies in Washington, D.C. with the CT Congressional delegation, our leaders expressed strong support for the

CT CAA Network and acknowledged that much of the stimulus funding was earmarked for our network because of their confidence in our ability to assess our communities' needs and to get resources out to local communities in a cost-effective, efficient manner. Additionally, they noted that Congress intentionally used a number of the formula-based funding streams, e.g. weatherization and CSBG, for the 'stimulus' funding because they have confidence in the current system and the operators, i.e. the Community Action Agency Network, and have faith that these crucial funds will quickly get out to the low-income communities as intended and for the purposes of the funding – job creation and weatherizing units for energy efficiency – important initiatives of the Obama administration. However, as we know, the stimulus funds are project specific and will expire in one short year, which is why this ongoing Community Services Block Grant and the state Human Services Infrastructure (HSI) funds are so important as our central, bedrock operational funding support.

I would like to thank the legislature, especially members of these committees, for your understanding of the importance of supporting the CAAs - CT's federally designated anti-poverty agencies – and the work we do for our most vulnerable residents. Your ongoing support has been crucial to our successes in serving CT's poor residents.

Community Services Block Grant & CONNECTICUT COMMUNITY ACTION

RESULTS THAT
MATTER



CT COMMUNITY ACTION SERVICES AGGREGATE RESULTS THAT MATTER

How much did we do?

- Nearly 285,000 people statewide benefited from CAA services last year.
- Over 48,000 people received referrals to other services they need.

How well did we do it?

- CAA's raised an additional \$26.67 for every dollar of CSBG funding.
- CAA's recruited volunteers to help reduce poverty; 753,179 hours donated = 362 FTE's.
- Over \$10 million returned to our state's economy with volunteer tax preparation assistance.

Is anyone better off?

- Over 285,000 people have moved closer to self-sufficiency. Examples:
 - Over 4,000 people went to work.
 - Over 21,000 people learned to save, invest and decrease debt.
 - 5,750 pre-school aged children are better prepared to start school.
 - Kids did better in school – socially, emotionally, athletically and academically.
 - Over 10,500 people statewide live in more safe, stable housing.
 - Over 121,000 households reduced/eliminated emergency needs.
 - Over 32,000 senior citizens maintain an active, independent life style.

EMPLOYMENT & TRAINING

How much did we do?

- 13,352 people eliminated or reduced barriers to employment.
- 4,262 people obtained employment or self-employment.
- 445 youth obtained job skills and employment experience.

How well did we do it?

- For every dollar invested, \$6.08 was saved.
- Programs costing \$7,784,497 produced 4,262 employment outcomes = savings of \$47,389,178 in avoided welfare costs annually.

Is anyone better off?

- Over 4,000 adults moved closer to self-sufficiency by going to work.
- 83% (1,741 of 2,104) increased their earnings.
- 62% of new hires (1,892 of 3,074) retained their jobs for at least 90 days.
- Children emerging from poverty, will likely earn, on average, 39% more than the median income.^[1]

[1] "The Great Debt Myth: The Economic Impact of Homelessness and Child Poverty" First Focus, December, 2008

FINANCIAL LITERACY & ASSET DEVELOPMENT

How much did we do?

- 21,185 people built savings and/or assets.
- Over 2,000 people obtained tax credits.
- Over 1,000 people maintained a budget for more than 90 days.
- 296 people opened savings accounts, accumulating over \$150,000 in savings.
- 26 people purchased homes and 14 people funded education.
- Nearly 3,000 people/households decreased debt.

How well did we do it?

- For every dollar invested, \$29.47 was returned to the community.
- Leveraged resources, valued at just under \$129,000, produced 2,209 tax returns.
- Volunteers donated 5,200+ hours = about 16.25 FTEs.

Is anyone better off?

- Families with assets are better able to weather economic storms.
- Over 21,000 learned to save, invest in assets and decrease debt.
- In 2008 over \$10 million was returned to our state's economy with volunteer tax preparation assistance.
- Nationwide, nearly 85% of IDA savers, purchasing homes with conventional fixed rate mortgages, fared well during the subprime mortgage crisis due to financial education & homeownership counseling. 2

2 Corporation for Enterprise Development (CFED); "IDA Program Survey on Home Ownership and Foreclosure" 2008

EARLY CHILDHOOD PROGRAMS

How much did we do?

- 5,750 children participated in preschool activities.
- Over 6,800 children obtained immunizations and medical care.
- About 5,800 children received dental care.
- Nearly 3,000 adults improved family functioning from counseling and/or other services.

How well did we do it?

- For every dollar invested, \$18.89 was saved in lifelong gains.
- Programs costing \$56.4 million produced 5,750 school readiness outcomes saving:
 - about \$1.1 billion in increased worker productivity
 - increased wages for parents
 - long term costs for law enforcement, welfare, health care and special education, etc

Is anyone better off?

- 5,750 children are better prepared to start and succeed in school.
- 12,600 children are healthier because they received medical & dental care.
- Children in well-functioning homes are less likely to get into trouble in school, get involved with crime, have difficulty learning, or need other supportive services, all of which cost taxpayers.
- CT employers gained \$1.1 billion in increased worker productivity.

HOUSING & SHELTER

How much did we do?

- About 10,500 people obtained, maintained or improved housing arrangements:
 - Over 4,200 people improved home safety with lead removal.
 - Almost 3,000 people obtained emergency shelter.
 - Over 2,000 households/individuals moved from temporary to safe, stable housing.

How well did we do it?

- Over 1,500 people maintained safe/stable housing for over 90 days.
- Nearly 1,200 people obtained permanent housing through home purchase or rental housing.

Is anyone better off?

- Over 10,500 people throughout the state now live in more safe, stable housing. Many are purchasing or renting homes. Families who live in safer, more stable housing can better manage their daily lives and their children's nutrition, health, developmental and academic performance.

ENERGY ASSISTANCE & WEATHERIZATION

How much did we do?

- Over 73,300 households avoided crises with energy assistance.
- Over 11,150 people weatherized their homes, decreasing energy cost.
- Over 5,000 households used the utility matching payment program (MPP).
- Over 14,800 people resolved problems with fuel vendors.
- 140 households improved environmental safety with a new heating or a/c system.
- Over 11,300 people learned more about energy conservation.

How well did we do it?

- For every dollar invested, \$2.97 was saved over the lifetime of the measure.
- Programs costing \$5.1 million produced 11,365 conservation outcomes that saved about \$15.14 million in energy costs over the lifetime of the conservation measures.

Is anyone better off?

- Low-income people avoided utility crises, resolved vendor disputes, improved environmental safety and learned how to save money through energy conservation measures.

SENIOR SUPPORT SERVICES

How much did we do?

- Over 13,500 participated in senior focused activities.
- Nearly 1,200 senior citizens maintained independent living through support services including home meal delivery, home health or homemaker services.
- Over 8,200 senior citizens avoided institutionalization.

How well did we do it?

- For every dollar invested, \$43.11 was saved.
- Programs costing \$14,890,836 yielded 8,264 senior citizens who avoided institutionalization, saving about \$642 million in nursing home costs.

Is anyone better off?

- Over 32,000 senior citizens maintain an active, independent life-style.

YOUTH DEVELOPMENT & AFTER SCHOOL SERVICES

How much did we do?

- 455 youth obtained job skills and employment experience.
- Over 1,200 youth improved social/emotional development.
- Over 700 youth improved their academic performance.
- Over 650 youth avoided at-risk behavior for at least 3 months.
- Over 480 youth reduced involvement with the criminal justice system.
- 320 at risk of DCF youth remained with their family.
- 280 non-custodial fathers spent more time with their children.
- Over 830 youth increased their academic, athletic or social skills.

How well did we do it?

- Potential ROI of \$10.51 for every dollar spent on a sustained investment to develop youth into economically and socially viable adults.^[3]

Is anyone better off?

- Kids gained a stronger foundation for an economic self-sufficient life.
- Kids did better in school – socially, emotionally, athletically and academically.
- Families stayed together and functioned better.

[3] Newman, R.P., Smith, S.P., & Murphy, R. "A Matter of Money: The Cost & Financing of Youth Development in America" Washington, D.C.: Academy for Educational Development, Center for Youth Development, 2001

NUTRITION SERVICES

How much did we do?

- Over 26,000 people obtained emergency or supplemental food.
- Over 10, 200 seniors participated in congregate meal programs.
- Over 6,700 people participated in Meals on Wheels.
- Over 4,100 seniors maintained/improved their nutritional risk score.
- Over 9,100 children participated in congregate meal programs through Head Start, child care, after school and other programs.
- Over 2,200 children in WIC reduced their risk of anemia.
- Over 1,000 WIC mothers breastfed their infants.
- Over 400 pregnant women in WIC achieved appropriate weight gain.
- Over 870 babies born to women in WIC did not have low birth weight.

How well did we do it?

- An investment of \$10 per person per year in proven community-based programs to increase physical activity, improved nutrition and prevent smoking and other tobacco use could save the country more than \$16 billion annually within 5 years. CT's ROI is 6.6 to every dollar spent.^[4]

Is anyone better off?

- People of all ages stayed healthier by eating more nutritious meals.
- Fewer children became anemic.
- Pregnant women had healthier pregnancies and healthier babies.
- Children enrolled in WIC were more likely to have better dental health & long term health.

Source: Connecticut Department of Social Services, Office of Community Care, 2002

HEALTH & COUNSELING SERVICES

How much did we do?

- Over 3,200 people obtained access to needed health care.
- Over 2,200 youth improved physical health and development.
- Over 2,700 learned how to avoid at-risk behavior.

How well did we do it?

- Lower life expectancy, a greater incidence of serious illness, and a generally lower quality of health can cost about \$149 billion annually.^[5]

Is anyone better off?

- Thousands of low-income people state-wide lived healthier lives because of the access to health care that they received.

[5] Henry J. Holzer, Diane Whitmore Schanzenbach, Greg J. Duncan, Jens Ludwig, "The Economic Costs of Poverty in the United States: Subsequent Effects of Children Growing Up Poor," Center for American Progress, January 20, 2002

CRIMINAL JUSTICE SERVICES

How much did we do?

- Over 650 youth avoided at-risk behavior for at least 3 months.
- Over 190 youth reduced involvement with the criminal justice system.
- Over 1,200 adults avoided at-risk behavior for at least 6 months.

How well did we do it?

- The annual "crime cost" of poverty is \$170 billion. [6]

Is anyone better off?

- Over 2,000 children and adults did not go to jail.

[6] "The Cost of Doing Nothing: The Economic Impact of Recession-Induced Child Poverty" First Focus, December, 2008

CT COMMUNITY ACTION AGENCIES LEVERAGE RESULTS THAT MATTER

How much did we do?

- CT CAA's brought over \$197 million into CT with competitive private, state and federal grants to fight the causes and effects of poverty.
- CAA's formed 785 partnerships to improve and coordinate service.
- CAA's formed 785 partnerships to improve community planning.
- CAA's formed 149 partnerships to achieve improved outcomes.

How well did we do it?

- CT CAA's leverage funding sources & community volunteers to fight poverty efficiently.
- Using HSI funds, CAA's form a statewide network to provide a one-stop center of service delivery. Low income residents connect to the network efficiently and easily.
- CAA organizations are lean and efficient because of leveraged funding, partnerships that share resources, dedicated staff, and community volunteers.

Is anyone better off?

- Over 285,000 low-income CT residents moved closer to self-sufficiency.
- All CT residents benefit from taxpayer dollars that are efficiently and well spent.

Connecticut Human Services Infrastructure

Low-Income Individuals and Families

Walk-ins and Referrals from DSS, InfoLine 211, and others

